

11 Sept 68

MEMORANDUM FOR: Chairman, Technical Development Committee
THROUGH : Executive Secretary TDC
SUBJECT : Staff Study - Maintenance Analysis Contract

PROBLEM:

To formulate and implement effective management procedures for the technical maintenance of equipment at NPIC.

FACTS:

1. The technical equipment maintenance group is staffed by such a small number of individuals that emergency repairs and training currently absorbs all of their working time.

2. Requirements for emergency equipment maintenance are expected to increase as the equipment grows older.

3. Preventative maintenance, properly applied, offers the greatest potential for accomplishment of the maintenance task with the limited manpower available.

4. The analysis of maintenance problems and recommendations for operating procedures by professional management consultants would be most effective while the maintenance group is being organized and trained.

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5. Inquiries have revealed that the [REDACTED] currently providing maintenance management advice to the Navy, is interested in providing these services to NPIC.

DISCUSSION:

1. Since NPIC is the only organization of its kind, there is no precedent from which maintenance experience and requirements can be drawn. It is difficult to determine the maintenance requirements in terms of numbers and types of maintenance personnel, work schedules, degrees of maintenance needed for various equipment, spare parts, etc.

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2. [REDACTED] has submitted a proposal to provide professional services to guide and direct the development of a maintenance management program and design a Trouble/Failure Reporting System. It will

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provide professional assistance to complete the data necessary to determine preventative maintenance requirements, develop a maintenance schedule and develop detailed maintenance procedures. The principle purpose of the study will be to develop a schedule and procedures to reduce catastrophic failures, extend the equipment life and determine the effect of gradual deterioration on the equipment. In-house participation will be utilized to the fullest extent possible in analyzing NPIC requirements and specifying procedures.

25X1A 3. The proposed contract would extend over a period of six months and consist of 60 days work. [REDACTED] has submitted the following cost figures:

25X1A Labor [REDACTED]
Transportation [REDACTED]
Per Diem [REDACTED]

25X1A 4. [REDACTED] is a scientific research organization created solely to provide analytical services to Government and industry. Its capabilities include performing basic and applied research in mathematical statistics and operations research, and conducting studies to optimize system design and improve operational effectiveness. The Group has pertinent experience in maintenance studies for the Navy.

CONCLUSIONS:

1. The analysis of maintenance requirements and the establishment of modern management procedures is a short term endeavor for which recruitment or transfer of personnel is not appropriate.

2. The time and skills necessary for this undertaking are not available within the P&DS.

3. A professionally qualified company is available to provide the desired services.


25X1A RECOMMENDATION:

25X1A It is recommended that a contract be negotiated with [REDACTED] in accordance with the attached proposal, for professional consulting services, to analyze equipment maintenance requirements and develop a Trouble/Failure Reporting System for NPIC.

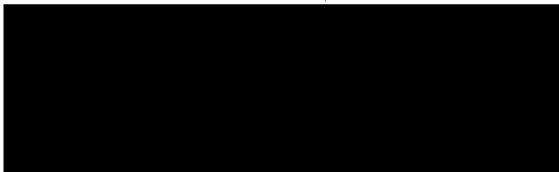
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The contract should be negotiated on an  CONFIDENTIAL basis
with both association and the product classified.

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